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NEW DEPARTMENT COLLECTING RAILROAD CLAIMS FOR SHIPPERS

Freight bills paid during the last two years are being examined by the recently established claim department of the Chicago Producers' Commission Association, a cooperative sales agency at the Chicago stock-yards, with the result that collections are being made from the transportation lines and surprise checks are being forwarded to shippers. During the first 45 days of auditing, overcharges justifying 83 claims were found. This is a special service to patrons.

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A CANADIAN LIVESTOCK COOPERATIVE DISTRIBUTES PATRONAGE REFUND

During its first year of operation the United Livestock Growers Ltd., Canada, handled 115,988 head of cattle, 295,990 hogs and 14,284 sheep and lambs, including stockers and feeders bought on order. The total number of animals, in carloads, was 7,631 cars and these were valued at \$8,645,969. Following the close of the year, June 30, checks amounting to \$32,000 were mailed to shippers as a patronage refund on the 53,000 cattle included in the selling pool. The refund was 2% and amounted to about \$15 on a carload. (See Agricultural Cooperation, August 31, 1925, p. 567.)

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OHIO BUYS ANIMALS COOPERATIVELY FOR FEEDING PURPOSES

Special efforts are being made by the Ohio Livestock Cooperative Association, Columbus, a federation of county shipping associations, to supply the members of its units with livestock for feeding purposes. Arrangements have recently been completed for obtaining feeder cattle in West Virginia and in the Pan Handle of Texas. The plans developed include cooperation with the livestock shipping associations in West Virginia in securing stock from the growers. The Texas livestock will be obtained through an organization set up by the cattle producers to aid them in their marketing problems.

Arrangements have also been made to secure lambs from the Western ranges through producer-owned commission associations. Already orders have been assembled for many carloads.

CALIFORNIA LIMA BEAN GROWERS ATTEND A BARBECUE

More than 600 persons attended the ninth annual meeting of the California Lima Bean Growers' Association, Oxnard, Calif., which was preceded by a barbecue at which barbecued steak, toasted French bread covered with melted butter, and lima beans were served. Following the feast the manager of the association made his report and several addresses were made by persons interested in the agricultural development of California.

Total sales of beans for the 1924-25 season amounted to \$3,961,589 and total expenses were \$126,741, leaving \$3,834,848 for distribution among the local units comprising the state association. Among the larger items making up the total of expenses are the following: Discount and exchange, \$32,567; brokerage, \$27,370; storage, \$22,029; general administration and selling, \$20,991; inspection, \$5,908; insurance, \$5,709. (See Agricultural Cooperation, August 17, page 333.)

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YAKIMA ASSOCIATION DEVELOPING MERCHANDISING PROGRAM

Efforts are being made by the management of the Yakima Fruit Growers' Association, Yakima, Wash., to get its products through to the consumer in the best condition possible and at the same time perform efficiently the functions that devolve upon it. Cold storage plants have been erected at four points in the producing region served by the organization. Local packing houses are equipped with the most approved machinery for handling the fruits of the region. The equipment installed includes sizing machines for apples and similar fruits, and wiping machines.

Considerable effort is made to have fruit shipped to market appear attractive. The past season the cherries were marketed with a faced pack. The prune pack was dressed with paper curtains; and special wraps and covers were used for the pears.

Efforts are also being made to develop the business of the association so that its sales organization will have a minimum of rush and slack periods and will be kept steadily active throughout the year. Among the fruits handled the present season are: Strawberries, asparagus, cherries, apricots, early apples, prunes, peaches, and pears. Winter apples along with shipments from storage will keep the salesmen busy until the first receipts of strawberries in the spring. It is practically a continuous round for the selling department.

This association was organized in 1910 as the Yakima Valley Fruit Growers' Association and reorganized in 1918 under the present name. It has a membership in excess of 500.

WASHINGTON APPLE GROWERS MAINTAIN COST RECORDS

Detailed cost figures have been compiled by the Spokane Valley Growers' Union, Opportunity, Wash., for the past 13 season. During the period from 1912 to 1925 the association handled over 1,300,000 boxes of apples. These were sold for \$1,700,000. The average price was \$1.18 for the 13-year period. The average cost per box of operating the association for the 13 years was 33.89 cents not including the cost of the container. The averages for the items making up the association cost are as follows: packing, 5.4 cents; sorting, 4.5 cents; other labor, 7.45 cents; paper nails, labels, etc., 6.9 cents; interest, 4 cents and administration, 8 cents.

The lowest average association cost per box was 22.5 cents in 1913-14 and the highest average cost per box was 48.5 cents for the season of 1920-21. The cost of the containers varied from 3.75 cents a box in 1914-15 to 26 cents a box for the season of 1920-21.

Average net prices per box to members varied from 20.25 cents for the season of 1914-15 to \$1.36 a box for the season of 1919-20. The returns to growers for the entire 13 years averaged 68.29 cents a box.

The following table compiled from a statement issued by the association shows the activities of the association for the thirteen years:

Season	Total		Average		Net per Box	
	Packed Boxes		Receipts		to Growers	
	Number	Index	Received	per box	Amount	Per cent
1912-13	24,512	100	\$ 17,500	\$.71	\$.3385	51.9
1913-14	11,272	46	15,155	1.34	1.0250	75.5
1914-15	26,332	107	16,062	.61	.2025	33.2
1915-16	23,064	94	22,192	.96	.5450	56.8
1916-17	70,619	288	65,675	.93	.5600	60.2
1917-18	56,867	232	65,355	1.15	.6700	58.3
1918-19	74,767	305	104,626	1.40	.9450	67.5
1919-20	193,374	789	372,160	1.92	1.3600	70.8
1920-21	205,067	837	282,257	1.39	.6450	46.4
1921-22	158,659	647	271,338	1.71	1.1525	67.4
1922-23	309,769	1264	263,552	.85	.3800	44.7
1923-24	95,405	339	72,507	.76	.2100	27.6
1924-25	108,565	443	145,477	1.34	.8150	60.8
Thirteen year average				1.18	.6829	57.9

A report regarding the business activities of this association for the 1922-23 season will be found in Agricultural Cooperation for March 26, 1923, p. 7.

COLORADO POTATO GROWERS LOOKING FORWARD TO SUCCESSFUL YEAR

A patronage refund or final payment has been made to members of the Colorado Potato Growers' Exchange, Denver, on the 1924-25 potatoes. This refund represents the balance remaining of the 20 cents per hundred pounds deduction after paying the expenses of the exchange and local associations, including the 2% set aside as a reserve for credit. It also includes claims which have been collected to August 8, on the 1924-25 shipments and final collection of claims from the 1923-24 activities.

During the first season, 1923-24, the association handled 5,016 cars of potatoes including a few mixed cars of potatoes and onions. The past season the exchange handled approximately 4,100 carloads. It is stated that the decrease was due to the reduced production which was considerably below that of the preceding year.

An increase in potato shipments is expected for the coming season as the membership acreage is greater than that of last year, with indications of an increased yield per acre. Since January 1, 1925, 120 new members have been obtained through the efforts of the various local associations.

The main features of the program for the coming season relate to the standardization and grading of potatoes and the education of the membership regarding the workings of the organization. In the program for standardization, stress is being laid upon better seed, approved methods for treating seed, better facilities for handling and storing of potatoes and better methods of marketing. The name "Colotato" has been selected by the exchange for the best grade of potatoes which will be marketed in bags bearing the brand name. No potatoes are to go into these bags except those which have been carefully graded. Supervision of the grading and enforcement of the standards will be under the control of the exchange.

Members purchased through the exchange last year 100% more certified seed than they did the preceding year. In the spring, 2,000,000 pounds of seed was treated at cost as a demonstration. The results were so satisfactory that it is believed that members will carry on their own seed-treating operations in the future.

The exchange was formed in July of 1923 by the representatives of 21 local associations. It is a federation of these locals and furnishes sales service for the member units. During its first year, it bought over one million potato bags for its grower members.

The Colorado Potato Warehousing Corporation, a subsidiary of the exchange, organized in June of this year, has now under lease or construction, 9 warehouses all of which are being equipped with power machinery for use in grading, handling and loading potatoes. The new warehouses are to be constructed principally for use in grading, sorting and loading rather than for storing purposes as the members have storage room on their ranches for about 75% of their total production. The warehousing corporation is capitalized at \$250,000.

MAINE POTATO GROWERS CEASE TO OPERATE

After operating for two seasons the Maine Potato Growers' Exchange, Caribou, Me., has suspended marketing activities. It is reported that because of the low prices prevailing last season many of the growers were compelled to buy fertilizers and other supplies on credit and that their creditors insist that the potatoes soon to be harvested be marketed so as to liquidate these debts at as early a date as possible.

During the 1924-25 season the exchange marketed 13,734 cars. Net sales were \$3,283,884. The 30 units comprising the exchange have a total membership of over 3,000.

Seven subsidiary warehouse companies have large equities in the warehouses which have been used for storing potatoes.

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MINNESOTA POTATO ASSOCIATION SUSPENDS OPERATIONS

At this writing it appears that the Minnesota Potato Growers' Exchange, St. Paul, Minn., will suspend operations, not because it is unable to meet its financial obligations, but because of internal dissensions following the low net returns of last season.

Between 30 and 40 of the potato warehouses belonging to three exchange subsidiaries have been leased to private potato buyers with the thought of applying the rentals upon the debt incurred in the purchase of the properties. The exchange's equity in the warehouses is approximately \$160,000.

A meeting of the board of directors and the trustees of the 35 county units was held early in September in the hope of developing a plan which would save to the membership the organization which had been built as the result of nearly two years of intensive work and at an expenditure of many thousands of dollars.

An unaudited statement of operations of the exchange for its first year has been issued as of August 31, 1925, to serve the membership until a complete statement can be compiled by the Minnesota examiner who has the matter in hand. According to the tentative report, 6,215,112 bushels of potatoes were received and sold by the association. This quantity is equal to about 10,000 car loads. Net sales, after allowances, freight, adjustments and similar charges were deducted amounted to \$2,369,122 or about 60 cents per 100 pounds.

Total deductions from net sales are the sum of six groups of items as follows: general office expense, \$154,170; selling expense, \$177,449; warehouse expense, \$813,849; other expense, \$58,801; investments, \$202,857; and legal reserve, \$43,681. The total of these, \$1,455,909, deducted from net receipts gives an amount which represents approximate returns to growers because of sales. Up to August 31, the growers had been paid \$849,421 and it was estimated that there was over \$64,000 available for a final payment. At last report the exchange units had a membership of 14,000.

REGIONAL WHEAT MARKETING ASSOCIATIONS IN THE UNITED STATES

Ten regional marketing associations operating for the wheat growers of as many states handled 27,637,099 bushels during the 1924-25 marketing season. The same ten associations handled 17,281,522 bushels the preceding season. Of the ten, the Oklahoma association handled the largest number of bushels of grain, marketing a total of 6,281,067 bushels. The Kansas association is in second place, having marketed 6,138,112 bushels. Nearly 4,000,000 bushels were marketed by the North Dakota association and over 2,000,000 by the Texas organization. The associations in South Dakota, Minnesota, Montana, Indiana, Nebraska and Colorado followed in the order named.

Six of the associations have been operating for three seasons, two for two seasons, one for one season and one for four seasons. Four quite similar associations which were active during the first part of the present decade have gone out of business. These are the associations organized in Oregon, Washington, Idaho and California. The Washington and Oregon associations operated for four years each and the Idaho and California for two years each.

The ten associations now active have a total membership of 96,492. The Indiana association leads in the number of members with the others following in the order given: North Dakota, Oklahoma, Montana, Minnesota, Kansas, Colorado, Texas, South Dakota, Nebraska.

The more significant facts regarding the active associations are given in the following table:

Association	: Began: Number :		Wheat Handled		
	: Opera-	: Members:	1923-24	1924-25	
	: ting :	1925 :	(Bushels)	(Bushels)	
Oklahoma Wheat Growers' Assn., Enid, Okla.	: 1922 :	12,216:	4,560,787	6,281,067	
Kansas Wheat Growers' Assn., Wichita, Kans.	: 1922):	:	:	:	
Kansas Coop. Wheat Marketing Assn., Wichita, Kans.	: 1924):	:	:	:	
North Dakota Wheat Growers' Assn., Grand Forks, N. D.	: 1922 :	17,400:	2,100,000	3,828,214	
Texas Wheat Growers' Assn., Amarillo, Tex.	: 1922 :	4,556:	1,210,490	2,429,209	
South Dakota Wheat Growers' Assn., Aberdeen, S. D.	: 1923 :	4,500:	555,000	1,778,000	
Minnesota Wheat Growers' Coop. Mktg. Assn., Minneapolis, Minn.	: 1923 :	10,500:	513,000	1,713,136	
Montana Wheat Growers' Assn., Lewistown, Mont.	: 1921 :	11,000:	4,390,579	1,551,059	
Indiana Wheat Growers' Assn., Indianapolis, Ind.	: 1924 :	18,255:	0	1,524,250	
Nebraska Wheat Growers' Assn., Hastings, Nebr.	: 1922 :	2,765:	550,000	1,202,552	
Colorado Wheat Growers' Assn., Denver, Colo.	: 1922 :	5,800:	1,301,666	1,191,500	
Total	: :	96,492:	17,281,522	27,637,099	

BIG MEMBERSHIP GAIN BY INDIANA WHEAT ASSOCIATION

Under date of September 3, 1925, the Indiana Wheat Growers' Association, Indianapolis, Ind., issued a statement relative to the big increase in membership which it has enjoyed during the past year. The number of members has been increased from 6,872 in 1924 to 13,255 for September 1, 1925. This is an increase of 11,383 or 165 per cent. This membership is scattered through 100 counties. The county with the largest membership has 549 members.

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KANSAS ASSOCIATION MARKETS SIX MILLION BUSHELS OF WHEAT

Wheat to the amount of 6,138,112 bushels was handled through two Kansas farmer-controlled marketing associations during the 1924-25 season. While legally there are two associations, the Kansas Wheat Growers' Association and the Kansas Cooperative Wheat Marketing Association, the two organizations function as one. They have the same secretary-treasurer, a single suite of offices at Wichita, Kans., and the same operating staff. The reason for the two organizations is that part of the wheat growers have signed a contract with one association and part a contract with the other. It is expected that eventually all of the business will be done in the name of the Kansas Cooperative Wheat Marketing Association.

In a statement issued under date of September 1, it was announced that the return to the growers, whose local handling charges and freight charges were no more than average, was a trifle over \$1.20 a bushel. It was stated that some growers would receive more than the average and others less, according to whether the grain delivered was above or below the average grade and protein classification and according to the amount of handling charges and freight incurred.

Among the deductions made in arriving at the average net return per bushel, in addition to those for freight and local handling charges, were charges for terminal storage, insurance, interest, exchange, administrative expense, sales expense, etc. The largest single deduction was 4.856 cents a bushel for terminal charges including handling, storage, insurance, interest, exchange and protein tests. A deduction of 1.019 cents a bushel was made to cover the expenses of the Wichita office and a deduction of 0.661 cents for the Kansas City office. A deduction of 2% on the selling price was made as a reserve from which was paid such items as directors' salaries and expenses, administrative salaries and expenses, house organ expense and legal expenses. This deduction amounted to 2.971 cents a bushel. The total of these deductions was 9.507 cents a bushel. In addition, every bushel was assessed 2.905 cents to pay for storage upon the farm. All members who delivered wheat paid the 2.905 cents a bushel farm storage and those who stored wheat on the farm were paid storage based upon the length of time that the wheat in each case remained upon the farm. Including farm storage the total deduction amounts to 12.412 cents a bushel in addition to the local handling charges and the freight in each individual case.

KANSAS EQUITY EXCHANGE EAPNS PROFITS

A deficit incurred some years ago by the Blakeman Equity Exchange, Blakeman, Kansas, has been wiped out by the profits of the past year and a dividend of nearly \$5,000 paid.

Total sales for the year were \$220,581. A profit was made on every commodity handled, including wheat, corn, barley, livestock, coal, feed, machinery, oil, and posts. This exchange has capital stock outstanding to the amount of \$9,400; the merchandise on hand at the close of the business year was valued at \$14,261; the elevator building at \$3,589; and the elevator improvements, at \$4,035.

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OREGON GRAIN GROWERS DISSOLVE

The Oregon Cooperative Grain Growers, Portland, Ore., which was organized in 1921, is being dissolved. The association handled 2,375,000 bushels of grain during the 1922-23 season and 3,500,000 during the 1923-24 season. In the summer of 1924 it was decided to suspend operations for one year and in the summer of 1925, following an effort to interest the members in reviving the organization, it was voted to dissolve. One of the difficult problems connected with the dissolution of the association was the distribution of the \$40,000 in the reserve fund. (See Agricultural Cooperation, Aug. 11, 1924, p. 265 and Nov. 3, 1924, p. 370.)

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NORTH DAKOTA WHEAT ASSOCIATION COMPLETES THIRD YEAR

A financial statement issued under date of June 30, 1925, shows the status of the North Dakota Wheat Growers' Association, Grand Forks, at the close of its third year of business. During the three years it handled for its members over 9,000,000 bushels of wheat. It sold this wheat for \$12,000,000.

The following figures give the history of the enterprise:

Season	: Membership : at Close of : Season	: Cars of : Wheat : Shipped	: Sales
1922-23	: 9,200	: 1,700	: \$3,320,000
1923-24	: 15,800	: 1,100	: 2,330,000
1924-25	: 17,000	: 2,200	: 6,300,000

On June 30 last, its assets amounted to over \$1,000,000 including three seats on the Minneapolis Chamber of Commerce and one seat on the Grand Forks Terminal. Its operating reserves, which have been accumulated during the past three years and which belong to the growers, amounted on June 30 to \$157,894.

FINAL PAYMENT MADE BY MINNESOTA WHEAT ASSOCIATION

Final payment to the members of the Minnesota Wheat Growers' Cooperative Marketing Association, Minneapolis, for grain marketed during the 1924-25 season was made under date of August 22. Checks totaling a trifle over \$340,000 were sent out.

Members delivered to the association, 1,713,136 bushels of wheat which was sold at prices netting the growers from \$1.38 to \$1.60 a bushel at Minneapolis. The prices at which settlements were made with individual growers depended upon the class and grade of the wheat delivered and upon its protein content. The basic prices for the 49 pools conducted by the association ranged from \$1.38 to \$1.50, Minneapolis, after the expenses of operating the association had been paid. To these basic prices was added from 2 to 10 cents a bushel as a premium for protein content. The only deduction from the pool prices, except freight from the growers' home station to Minneapolis, was two cents a bushel as a reserve for working capital. One of the two cents is for a permanent reserve in which each grower has an equity according to his contributions. The second cent will be used as working capital for one year and then returned.

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SASKATCHEWAN WHEAT POOL COMPLETES FIRST YEAR

An announcement made September 3, 1925, by the management of the Saskatchewan Cooperative Wheat Producers Ltd., Regina, Sask., states that approximately 51,000,000 bushels of wheat was handled by the association during its first year of operation. At the close of the year the organization had a membership of 64,000, owned 85 country elevators, and had accumulated \$750,000 in its surplus account.

Announcement was made on the same date of a basic price of \$1.66 for No. 1 Northern, Fort William, for the wheat handled during the 1924-25 marketing season. This basic price is subject to differentials for grades other than No. 1 Northern and to deductions for freight to Fort William. It is also subject to a deduction of 4.3 cents a bushel for association purposes. Of this amount sixty-four hundredths of a cent was to pay operating and organization expenses, 2 cents a bushel was for acquiring elevators and 1.66 cents for a commercial reserve.

The grain was handled in about 200 separate pools with a different average price for the season for each pool. The amount per bushel received by individual growers depended upon the grade of grain delivered and the freight rate to Fort William.

On September 8 the association held 64,627 wheat contracts covering 8,735,208 acres also 30,662 contracts for coarse grains as follows: Oats, 1,506,330 acres; barley, 284,335 acres; flax, 290,663 acres; and rye, 63,499 acres.

COOPERATIVE WHEAT MARKETING IN THE PRAIRIE PROVINCES

Each of the three prairie provinces of Canada has its own wheat marketing association. The Alberta organization has completed its second year and the Manitoba and Saskatchewan associations their first year. A little more than a year ago the three associations created the Canadian Cooperative Wheat Producers to function as a sales agency. Each of the provincial organizations furnishes three members for the board of directors of the agency and the presidents of the three provincial associations comprise the executive committee of the selling organization.

The agency established its principal office at Winnipeg, Manitoba, with an export forwarding office in New York City. It rented two terminal elevators at the head of the Great Lakes, through which it put 10,000,000 bushels of grain. Arrangements have now been made for the purchase of terminal elevators with a capacity of 1,750,000 bushels. The agency has a seat on the Winnipeg Grain Exchange; it has its own representatives in Paris; and it reports that it is selling direct to mills in Europe and exporting to more than 50 ports.

In the following table a few of the more significant facts regarding the three associations of Canadian wheat producers have been brought together.

Association	: Began : Operating:	: No. of : Members : 1925	: Wheat : Marketed : 1924 Crop : (Bushels)
Alberta Cooperative Wheat Producers, Ltd., Calgary, Alberta.	: Oct. 29, : 1923	: : 31,454	: : 23,000,000
Manitoba Cooperative Wheat Producers, Ltd., Winnipeg, Manitoba	: Sept. 3, : 1924	: : 13,014	: : 8,444,000
Saskatchewan Cooperative Wheat Producers, Ltd., Regina, Sask.	: Sept. 5, : 1924	: : 64,600	: : 50,000,000
Total	: :	: 109,068	
Canadian Cooperative Wheat Producers, Ltd., Winnipeg, Man.	: : 1924	: : Sales agency for	: : three associations.

Previous issues of Agricultural Cooperation contain information regarding the Alberta and Manitoba wheat pools (See pp. 359 and 383) and this issue (p. 405) contains a report of the Saskatchewan pool.

In other issues of this circular will be found reports dealing with the activities of the United Grain Growers and the Saskatchewan Elevator Company. The former organization operates about 400 farmers' elevators in Manitoba, Saskatchewan and Alberta. Its sales for the year ending August 31, 1924, amounted to \$87,000,000. (See Agricultural Cooperation, March 2, 1925, p. 95.) The Saskatchewan Cooperative Elevator Company, Regina, operates 440 country elevators through which it handles approximately 50,000,000 bushels of grain a year. (See Agricultural Cooperation, Sept. 14, 1925, p. 380.)

CALIFORNIA RICE GROWERS COMPLETE FOURTH YEAR

June 30, 1925 was the closing date for the fourth business year of the Rice Growers' Association of California with principal business office at Sacramento. The president of the association in his annual report to the membership says in part:

We have just closed one of the most successful years that the association has experienced ... A considerable part of the crop was sold soon after harvest, and the entire holdings were disposed of by the first of June, the earliest date of entirely disposing of the crop. The percentage of the crop controlled by the association is the largest in its history.... The members of our association received an average of approximately 15 cents more per bag than non-association members when sold under the same market conditions ... There were only a few exceptional cases throughout the year when non-association rice brought association prices, and there was not a single instance where non-association rice was sold at a higher price than was association rice.

Not one member made application to withdraw from the association when an opportunity for withdrawing occurred with the change of managers in August of 1924.

The business transactions of the past four years are given below:

Year	:	:	:	:	:	Excess In-
Ending	:	Rice Handled	:	Income	:	Expenses: come over
June 30	:	:	:	:	:	Expenses
	:	Pounds	:	Index:	:	:
1922	:	156,613,740	:	100	:	\$78,306 : \$61,672 : \$16,634
1923	:	173,496,060	:	114	:	89,248 : 76,755 : 12,482
1924	:	128,224,800	:	82	:	66,016 : 60,661 : 5,355
1925	:	-----	:	--	:	68,819 : 55,858 : 12,960

The total for expenses included departmental expenses as follows: management, \$15,691; office administration, \$17,290; warehousing and grading, \$16,018; sales, \$4,000. The capital assets of the association were \$5,761 on June 30 last.

The operating policy of this association includes a number of features which are different from those of the majority of cooperative associations. It does not pool the products of its members. Each lot is sold by sample upon its merits. Members are privileged to place a minimum price upon their rice and to decide upon what market it is to be sold. Sales are made on sealed bids. After a lot is sold, and all charges paid, the grower member receives payment in full. Members can cancel their marketing contracts and withdraw from the association only during a ten day period following a vacancy in the office of president and general manager. For a report of the 1923-24 season see Agricultural Cooperation, August 25, 1924, p. 285.

ARKANSAS RICE GROWERS COMPLETE ANOTHER YEAR

Early in September about one-quarter of a million of dollars was distributed by the Arkansas Rice Growers' Cooperative Association, Stuttgart, Ark., to its members. This was the final payment on the 1924 crop. A total of 679,387 barrels of rice of the 1924 crop was handled by the cooperative enterprise. The clean rice was sold for \$3,975,875 and the brewers' rice, rice bran and rice polish were sold for enough to make the total sales \$4,150,381. Receipts from the sale of second-hand bags, chicken feed, and from commissions and rents were sufficient to make the total income \$4,176,609. The expense of milling 679,387 barrels was \$361,271 and other operating expense amounted to \$264,423. A deduction from sales of 1-1/2 per cent was made for reserve for credits and other purposes. This deduction amounted to \$62,255. The total available for distribution to the growers was \$3,488,659, which amount was paid in advances and the final payment. This amount is 84 per cent of the rice sales. The charge for milling was 8.6 per cent of sales and other expenses amounted to 6.3 per cent of sales.

Among the larger items making up the other expenses are: salaries, \$56,680; brokerage, \$52,884, discount and exchange, \$39,843; interest, \$26,752; insurance, \$13,140; legal expenses, \$12,084.

With the close of the 1924-25 season the association completes its fourth year. During the four years it has sold over 2,700,000 barrels of rice. Total receipts have amounted to over \$13,000,000. The percentage cost of operation has decreased year by year from 22 per cent for the season of 1921-22 to 15 per cent for the last season. The detailed figures for each year are given in the following table:

Season :	: Rice Handled :			: Operating Expense		
	:	:	: Total	:	:	: Per cent
:	:	:	: Receipts	:	: Total	: of Receipts
:	: Barrels	: Index:	:	:	:	:
1921-22 :	604,669	: 100 :	\$2,552,290	:	\$572,375	: 22.4
1922-23 :	856,089	: 142 :	3,374,739	:	640,415	: 19.0
1923-24 :	646,645	: 107 :	3,311,181	:	539,176	: 17.8
1924-25 :	679,387	: 112 :	4,176,609	:	625,694	: 15.0

Average net returns per bushel to growers for the four-year period are reported by the association as follows:

1921-22	\$.91	1923-24	\$1.15
1922-2383	1924-25	1.42

These figures are average prices for all varieties and all grades of rice and they are net figures after all expenses have been paid and all deductions made.

For a report of the 1923-24 season see Agricultural Cooperation for September 22, 1924, p. 309.

FIVE YEARS OF COOPERATIVE TOBACCO MARKETING

In round figures 35% of the 1924 tobacco crop in the United States was delivered to cooperative associations for marketing. This percentage was lower than that for the crops of 1922 and 1923 but higher than the percentage for 1921 or any preceding year. The quantities of tobacco received by the seven large associations each year since 1921 have varied from 123 million pounds in that year to 699 million pounds in 1923. As the total United States crop has varied from year to year the most interesting figures are those showing the relation of the portion of the crop marketed cooperatively to the total crop. These figures are given in the following table:

Season	:	Tobacco Produced	:	Tobacco Received
	:	in United States /a	:	by Associations
	:	(Pounds)	:	(Pounds) :Per cent)
1920-21	:	1,532,225,000	:	6,533,100 : .4
1921-22	:	1,069,693,000	:	128,003,213 : 12.0
1922-23	:	1,246,837,000	:	602,643,756 : 48.3
1923-24	:	1,515,110,000	:	699,421,889 : 46.1
1924-25	:	1,242,623,000	:	431,460,233 : 34.7

/a U. S. Department of Agriculture yearbook, 1924, p. 821.

Were data available regarding the quantities of tobacco handled by about a dozen small associations the total figures given above would be increased slightly but not enough to change the percentages materially.

The cooperative marketing of tobacco is not a new activity. According to the records of the Department of Agriculture there were 18 associations engaged in handling tobacco on a cooperative basis in 1913. Seven of these were in Ohio, one in West Virginia and ten in Kentucky. They were small enterprises as is indicated by the fact that their total annual business amounted to but \$2,500,000. Two years later the number of active organizations had increased to 43 with an estimated membership of 17,849 and an annual business of \$6,450,000.

About 1920 the regional type of association for the cooperative marketing of tobacco was developed. This new kind of organization aimed to serve the growers of an entire producing region. The first of these farmers' enterprises was the Maryland Tobacco Growers' Association, formed in 1920. This organization undertook to serve all the growers in the Southern Maryland producing section. In 1921 the Burley Tobacco Growers' Cooperative Association began functioning at Lexington; and the same year the Virginia and Carolinas association, the Dark Tobacco association, the Connecticut Valley and the Wisconsin associations also began operating. In 1923 the Miami Valley association in Ohio began business.

In the following table the associations are listed in their chronological order and their present membership is given:

Association	Year	Number of Organized Members, 1925
Maryland Tobacco Growers' Assn., Baltimore, Md.	1920	4,600
Burley Tobacco Growers' Coop. Assn., Lexington, Ky.	1921	108,300
Tobacco Growers' Coop. Assn. (of Va., N.C., & S.C.) Raleigh, N. C.	1922	97,500
Dark Tobacco Growers' Coop. Assn., Hopkinsville, Ky.	1922	71,000
Connecticut Valley Tobacco Assn., Hartford, Conn.	1922	4,200
Northern Wisconsin Coop. Tobacco Pool, Madison, Wis.	1922	7,300
Miami Valley Tobacco Growers' Assn., Dayton, Ohio.	1923	4,900
Total		298,300

These associations are probably handling 98% of the tobacco marketed cooperatively in the United States. The number of pounds received from the different crops by each association is given below:

Association	Pounds of Tobacco Received				
	1920-21	1921-22	1922-23	1923-24	1924-25
Burley	0:119,914,613	197,009,743	245,307,781	a/171,344,953	
Va., N.C. & S.C.	0:	0:163,543,820	180,137,952	b/103,834,844	
Dark	0:	0:175,057,787	173,563,632	b/90,391,821	
Connecticut	0:	0:26,901,714	35,311,079	b/30,740,303	
Maryland	6,533,100	8,088,600	9,500,000	14,700,000	b/15,143,000
Wisconsin	0:	0:30,630,692	30,654,445	b/14,953,685	
Miami	0:	0:	0:	19,742,000	c/5,051,622
Total	6,533,100	122,003,213	602,643,756	699,421,839	431,460,233

a/ To August 10, 1925. b/ To August 31, 1925. c/ To September 5, 1925.

While the sum given above as the total for the 1924-25 crop will be increased slightly when the revised reports are made by the associations, the figures are approximately correct.

WISCONSIN TOBACCO GROWERS EXPRESS THEMSELVES

At the annual meeting of the Northern Wisconsin Cooperative Tobacco Pool held at Madison, Wis., on August 11, resolutions were passed to the effect that employees not in sympathy with the association should not be continued on the pay roll. This resolution is to apply with special force to employees owning land on which tobacco is grown. The management was instructed to increase their efforts regarding "the selling, advertising and displaying of Wisconsin tobacco to manufacturers" and that it create, if necessary, a subsidiary organization to handle difficult marketing problems.

The management in reciting the accomplishments of the organization makes the following statement:

In 1922 your pool established a grading system where none existed before, and each year since has improved that grading system, and now tobacco is sold on a basis of quality and that was what you hoped for in 1921 ... The pool has not "dumped" any tobacco as was done in 1921, but has succeeded in marketing the crops orderly, that is, each crop over a period of six months to one and one-half years instead of three months as was the old practice ... Your pool is a tremendous factor in the Wisconsin tobacco market.

For further information regarding this Wisconsin association, see Agricultural Cooperation, for September 14, 1925, p. 384.

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REDRYING PLANTS ACQUIRED BY TRI-STATE TOBACCO ASSOCIATION

Two important announcements were made in behalf of the Tobacco Growers' Cooperative Association, Raleigh, N. C., on the opening of the association's fourth delivery season. One was that the advance on tobacco would be increased from 50% to 65% of banker's value and the second was that the organization had acquired six redrying plants with a redrying capacity of 6,500,000 pounds a month.

As evidence that the association is making larger cash advances than formerly, the amounts of the advances for 64 grades of tobacco are listed in the association publication for the beginning of each of the four seasons that the organization has been functioning. On grade A 1, 22.75 cents was advanced in 1922; 32.50 cents in 1923; the same amount in 1924, and 42.25 cents is being paid this season.

It is proposed to operate the newly acquired redrying plants overtime with the intention of drying 2,000,000 pounds of leaf a week. With these plants under the control of the association it is expected that such pecuniary gains as come from blending various grades of tobacco will accrue to the organization and be passed on to the growers.

The 1925-26 season was formally opened in South Carolina on August 4, when 31 warehouses began receiving tobacco from member growers.

COOPERATIVE MANUFACTURE OF BUTTER AND BACON IN AUSTRALIA

A recent issue of the Primary Producers' News published at Sydney, New South Wales, Australia, gives a few interesting side lights on the cooperative manufacture of butter and curing of bacon in New South Wales. Reports from a number of farmer-owned enterprises are printed. During the month of June the North Coast Cooperative Company made 1,400,000 pounds of butter and slaughtered 3,021 pigs; the Clarence River Company made 190,000 pounds of butter and slaughtered 429 pigs; the Denman Company made 39,942 pounds of butter, and the Upper Macleay Dairying Company made 41,189 pounds of butter and converted 312 pigs into bacon and "small goods."

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RUSSIAN COOPERATIVES EXPORTING BUTTER

According to information published in August in the "Koopervativni Put," (The Cooperative Way), Russia exported more than 72,000,000 pounds of butter into England in the year 1924-25. One-half of this was exported by the "Maslocenter" (the Cooperative Butter Union), which union has a general contract with the government organization, the "Sibtor," for united action in butter marketing. Together the two organizations handle about 70% of all exported butter. The other 30% is handled by smaller organizations which purchase from primary cooperative dairy associations.

While England was the chief buyer of Russian butter, some was also marketed in Germany and a small consignment reached the United States.

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NEW KANSAS COOPERATIVE CREAMERY BEGINS OPERATION

The Farmers' Union Cooperative Creamery at Kansas City., Mo., is the latest of the many Farmers' Union enterprises. It has been launched to aid farmers to improve the quality of their dairy and poultry products and to market under the most favorable conditions, also to foster and support the local cooperative buying stations previously established.

A large fire-proof brick building, which has cold storage space for 3-1/2 million pounds of butter, has been leased for five years. The equipment which was purchased largely through the Supply Department of the Minnesota Cooperative Association, is of modern type, and includes machinery for the manufacture of powdered buttermilk as well as butter.

Contracts will be made with local cream stations to handle cream on a commission basis. It is the purpose of the new association to work in conjunction with the local stations, acting in an advisory capacity and assisting them in every way possible.

NEW YORK BUYING ASSOCIATION ORGANIZES STORE UNITS

A new service is being established by the Cooperative Grange League Federation Exchange, Inc., Ithaca, N. Y. It is that of local stores or warehouses for the distribution of the products handled by the exchange. Four such units are now being operated, three in New York state and one in Pennsylvania. Local companies are formed with common and preferred stock, the control of each enterprise being vested in the common stock, which is held by the Producers' Warehouse and Elevator Company, a subsidiary of the exchange. The preferred stock for each unit is sold to people living in the neighborhood of the store.

The policy adopted includes the selling for cash and the rendering of service at cost. According to the state statute under which the units are organizing, any earnings above a reasonable reserve must be refunded on a patronage basis. The stores obtain their orders for supplies in advance, permitting shipments to the stores in carlots, and avoiding the carrying of large stocks for filling possible orders.

In discussing the new venture the management of the exchange states: "Local users must give their orders voluntarily in advance, the local agency (unit) must do aggressive merchandising at a low overhead, and the exchange must supply high quality goods at a fair price. By taking full advantage of the purchasing, advertising and order-getting facilities of the exchange an exclusive agency can be operated to the benefit of every patron."

It is announced that it is not the intention to establish stores where adequate service in the products handled by the exchange is given by local cooperatives or established dealers.

The Cooperative Grange League Federation Exchange, Inc., closed its fifth year of activity June 30, 1925. At that time it had capital stock outstanding to the amount of \$774,456. It had \$396,692 invested in warehouse properties at Buffalo and Syracuse; and its investments in the common stock of the Summers Fertilizer Company of Baltimore and in the common stock of five corporations for operating local units and in certificates of indebtedness of the Federal Intermediate Credit Bank of Springfield, Mass., amounted to \$75,000.

During the operation of the exchange, \$45,994 has been paid in dividends on capital stock. Working capital on June 30 amounted to \$245,988, including \$100,441 in cash and merchandise to the value of \$99,898.

The exchange was formed in 1920 that its members might be assured of being provided with supplies of certain quality and with certain services at a minimum cost. Five departments have been developed, namely, (1) grain and feed, (2) dairy feeds, (3) seed, (4) fertilizer and (5) mail order. Stockholders now number approximately 40,000.

Total sales for the several years are reported as follows:

1920-21.....	\$3,600,000
1921-22.....	3,200,000
1922-23.....	5,900,000

ILLINOIS COURT CONSTRUES MARKETING CONTRACT

The Appellate Court of the Fourth District of Illinois recently decided the case of the Egyptian Seed Growers' Exchange v. D. J. Hollinger. The exchange is a cooperative nonprofit organization of red top growers, incorporated under the laws of Illinois for the purpose of storing, grading and marketing the red top seed produced by its members. It entered into a contract with each of its members, providing in substance that the grower should deliver all of the red top seed produced by him for market during the life of the contract to the exchange, and that the exchange should store, test, clean, grade, and sell it for the grower. It further provided that the grower should pay to the exchange as liquidated damages 5¢ per pound for all seed sold by or for him to any person other than the exchange.

Mr. Hollinger, a member of the exchange, entered into a contract therewith, like that referred to, on August 17, 1922, and he delivered to the exchange his red top seed for 1922, but in 1923 he sold the 300 pounds of seed produced by him to another party, whereupon the exchange brought suit alleging that he had violated his contract and seeking to recover from him the 5¢ per pound for the seed thus sold. Mr. Hollinger filed a plea to the effect that in pursuance of certain provisions of the contract he had terminated the same, effective July 1, 1923, and claimed, therefore, that the suit could not be maintained against him. The trial court overruled a demurrer to the defendant's plea and the exchange appealed. Mr. Hollinger relied upon a provision of the contract reading as follows:

This contract shall be in full force and effect from August 1, 1922, and shall continue to be in full force and effect continually thereafter, unless cancelled on written notice by either of the parties, to the other, between the 15th and 30th days of May, inclusive, of any year, which notice shall become effective on the first day of the following July.

The language just quoted on its face indicates that Mr. Hollinger might have cancelled the contract between the 15th and 30th days of May of any year. However, there was another provision in the contract which read that "the contract shall continue to be in full force and effect until the first day of July, 1927."

It is obvious that the language just quoted and that quoted above are in conflict. The court said that it was necessary to give effect, if possible, to every provision of the contract and to avoid construing terms thereof so as to render some provisions meaningless, and held that the conflicting provisions referred to above should be construed to mean that the contract was irrevocable up to July 1, 1927, and that thereafter it was subject to cancellation by either party between the 15th and 30th days of May of any year, effective on the first day of the following July.

L. S. Hulbert.

MICHIGAN SUPPLY SERVICE INCREASES BUSINESS

An average of 80 car loads of dairy and poultry feeds are being supplied monthly to Michigan farmers' cooperative associations by the Farm Bureau Supply Service, Lansing, Mich. Scores of car loads of fertilizer, cement, coal, posts, binder twine, fencing, etc., are being shipped in response to orders.

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EDUCATIONAL WORK PLANNED FOR CONSUMER COOPERATION

An educational organization, to be known as the Central States' Cooperative League, is being formed to operate over Illinois and adjoining states. This league will be affiliated with the national Cooperative League, New York City, which functions in behalf of consumer cooperation. It is planned that the new league shall stress cooperative education. Courses of study are to be given, a monthly publication issued, a mutual insurance association fostered, credit unions encouraged, and a cooperative publishing society organized.

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WISCONSIN FURNISHES ACCOUNTING SERVICE TO COOPERATIVES

An accounting service for cooperative associations is one of the major activities of the Wisconsin Department of Markets. Service is furnished in response to written request from twenty per cent of the members or from 100 members. In such cases a thorough examination and audit is made of the records of the association and a careful analysis is made of the requirements and needs of the business. It is the purpose of the service to aid cooperative enterprises in improving their methods of management.

So far, over 100 accounting installations have been made for warehouses, creameries, cheese factories, shipping associations and oil stations.

In discussing the facts brought to light by the investigations of the accountants to date the following statement regarding conditions in Wisconsin has been made:

"As a general proposition it was found that the selling organizations are more successful than the buying associations. Cheese factories and creameries have rendered a real service to the communities that have organized these dairy plants along cooperative lines. They are ably managed and have netted the producer a fair return for his butterfat.

"Since the price decline of 1920, the farmers' warehouses have not fared so well. Most of them were caught with large stocks on hand and were obliged to sell at a loss ... During the past year most of the warehouses have begun to recoup their losses, and some are now showing a slight surplus where a marked deficit existed a year or two ago. Several of them were not able to weather the storm and have passed into the discard."

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